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A LETTER TO A MEMBER of PARLIAMENT CONCERNING THE PROPOSALS OF THE *EAST-INDIA Company.*

East Indies Hon Comp

10 March 1729/30

SIR,

THE Queſtions ariſing upon the Petition, relating to the *EAST-INDIA* Trade, brought into the *Houſe of Commons* on *Thurſday* laſt, are ſince become the Subject of almoſt every Converſation that I have had any Share in. My Sentiments upon this Petition being demanded, as well as upon the Propoſals which it is now expected will be made to the Publick by the *EAST-INDIA Company*, I have Time only to put into Writing a Reflection or two which have occurr'd to me upon this Subject.

I HAVE ſuppos'd, not altogether without Information, that the *Company* deſign a Propoſal to the *Houſe of Commons*, to advance 800,000 *l.* to the Publick for the Service of this Year, for the Purchaſe of an additional Term (of 30 Years, perhaps, to commence from *Lady-Day*, 1736) in their Fund of 160,000 *l. per Annum*, and from thence redeemable on Payment of their principal Debt, by this Loan encreas'd to 4,000,000 *l.* And as to their Trade, I am apt to think that one of the two following Propoſals will be made by them; either, *firſt*, That, ſubmitting their preſent Pretenſions to Perpetuity in their Trade, they will propoſe to have their Right to Trade granted for the ſame farther Term of 30 Years. Or elſe,

Secondly, That, leaving theſe Pretenſions undetermin'd, they will propoſe, that, upon repealing the preſent Proviſo, for redeeming their Fund in 1736, another Proviſo be ſubſtituted in the Room of it for redeeming their Fund at the end of their additional Term: And, that their Fund and Trade be made ſubject to that new Proviſo, in the ſame Manner, and in the ſame Words, as are us'd in the Act of Parliament on which they now found their Pretenſions to Perpetuity in their Trade.

UPON the Preſumption of a Propoſal to this Purpoſe, I will beg leave to give my Senſe about the Intereſt of the Publick, and of the *Company*, in agreeing to it in our preſent Circumſtances; and firſt I will conſider it only as it relates to the Debt due to the *Company* from the Publick, and the Annuity payable on Account thereof to *Lady-Day*, 1736.

I EXPECT the Reduction of Publick Intereſt from 4 to 3 *per Cent.* long before that time, as an unavoidable Conſequence of that general Peace of *Europe*, which we have been ſo long promis'd, and of the Application of the ſinking Fund for a few Years, as it now ſtands appropriated. Hence, therefore, I conceive, that an additional Term of 30 Years, in their Annuity alone, is much more than an Equivalent for 800,000 *l.* advanc'd for the Service of this Year: And that this, therefore, is the moſt expenſive Method to the Publick of raiſing this Supply, than in our preſent Circumſtances can be propos'd to the *Houſe of Commons*.

800,000 *l.* Advanc'd now without Intereſt for 6 Years, will be perceiv'd to be equivalent to releaſing an Annuity of 32,000 *l.* for the ſame Term of ſix Years; the preſent Value of which Annuity at 4 *per Cent.* now the Rate of Intereſt, is about 167,748 *l.* the Value of what the *Company* now part with in favour of the Publick. In exchange for which, ſuppoſing Intereſt in 1736 to be reduc'd to 3 *per Cent.* the Publick, by agreeing now to the ſuppos'd Propoſal, will become oblig'd to pay 1 *per Cent.* Intereſt upon 4 Millions, for 30 Years, from 1736, more than what they might then borrow the ſame principal Sum for. The *Value now* of 40,000 *l. per Annum* to commence 6 Years hence, and from thence payable for a Term of 30 Years, computed at 4 *per Cent.* Intereſt, is about 547,700 *l.* and computed at 3 *per Cent.* Intereſt ſtill more. Hence it appears to me, that, if this Propoſal is accepted, the *Company* would *now* gain, and the Publick *now* loſe, at leaſt the Sum of 379,952 *l.* in immediate Conſequence of ſtriking this Bargain.

I HAVE conſider'd, upon the abovemention'd Suppoſitions, the Queſtion to be put to me, What farther Term in the *Company*'s Fund of 160,000 *l. per Annum* is an Equivalent for their *now* advancing 800,000 *l.* for the publick Service? And, inſtead of 30 Years, I find the Anſwer to be 4 Years and a half at the *utmoſt*. Nor do I think the Suppoſition, of Intereſt reduc'd to 3 *per Cent.* in 1736, at all unrea-

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ſonably aſſum'd on this Occaſion; I think that moſt probably it may be reduc'd ſtill farther: But, whatever Sentiments may be entertain'd as to this Particular, it is at leaſt certain, that the Publick are in a Condition, from the ſinking Fund only, and without the Aſſiſtance of any Subſcribers, to redeem this whole Incumbrance in 1736, and poſſeſs themſelves of this whole Annuity for the Benefit of the Nation. From which, if we are prevented by any new Bargains to be now made, the Diſadvantage to the Nation appears to me greater than can be eſtimated from any Suppoſition, about the Rate of Intereſt in 1736.

I AM therefore content to doubt, whether I have been truly inform'd, that the *Company* intend ſo *unreaſonable* a Propoſal: But if they do, if 800,000 *l.* now advanc'd is no ſufficient Conſideration for the additional Term demanded in their *Fund alone*, it's plain, no Part of that Sum can be regarded as any Conſideration or Inducement for prolonging their Term in their Monopoly of the *EAST-INDIA* Trade.

TO perſuade the Publick to this, I expect that the *Company*'s Pretenſions to Perpetuity will be produc'd, and the Advantage to the Publick inſiſted on, in their having theſe Pretenſions upon making their new Agreements.

I DOUBT not, Sir, but that you are thoroughly acquainted with the Foundation of theſe Pretenſions, and flatter my ſelf, that you think, as I do, that they are unreaſonable. But were they otherwiſe, I ſhould agree, that ſuch a perpetual Monopoly in the *EAST-INDIA* Trade, as they pretend to, is an *intolerable* Inconvenience; and that hardly any Expence to the Publick, in re-purchaſing it, would be too great, except this which I preſume the *Company* is now propoſing; I mean exchanging their Pretenſions for a certain Term of 36 Years: For this, in my Opinion, will almoſt as fatally, to all Intents and Purpoſes, affect the Publick, as even our confirming the Perpetuity pretended to.

AMONG the Queſtions to be determin'd, on receiving this Propoſal, I take one to be, Whether the Publick are or are not entitled to the Reverſions of the Annual Profit, ariſing from an excluſive Trade to the *EAST-INDIES*, to fall in the Year 1736? This Intereſt can't, from the uſual Dividends of the *Company*, be eſtimated at leſs than the yearly Sum of 96,000 *l*; or the Value of that Reverſion, to be diſpos'd of to the higheſt Bidder, at much leſs than two *Millions:* But ſhould this Reverſion be poſtpon'd to the end of 36 Years, the Value of it to the Publick will be reduc'd to about *ſix Years Purchaſe only*. And if it is to be apprehended, that the *Company* have, in their preſent Situation, Influence enough to have this Queſtion *thus* determin'd in their Favour now, What can we for the future hope for with Regard to the Publick, when their Power and Influence ſhall have been *thus* encreas'd?

BUT even this Queſtion is, in my Opinion, of much leſs Importance to the Kingdom than another to be determin'd at the ſame time; I mean, Whether it be now for the Intereſt of the Nation, that the Trade to *INDIA* ſhould, for all the Term in Queſtion, and *at all Events* be confin'd to the preſent *Company* only, or laid *more open* to private Traders? This muſt certainly be admitted to be a Queſtion of the higheſt Conſequence to this Nation. It relates to our Trade to almoſt half the World; a Trade moſt certainly capable of being enlarg'd greatly, in the Hands of private Adventurers; to the Encreaſe of our *Seamen*, *Shipping*, and *Naval Power*; probably to the Encreaſe of Materials for our *Manufactures*, and of our Trade and Adventures to all *other Parts* of the World. But whatever may be the Fate of this Queſtion when it ſhall have been conſider'd maturely (maturely conſidered it certainly deſerves to be) it may upon many Accounts be *too ſoon*, it can't upon any Account be ſome Time hence *too late*, to determine it in Favour of the *EAST-INDIA Company*.

IF ever there was a Time when it was reaſonable to uſe the utmoſt Caution in the Determination of this Queſtion, I think the *preſent Situation of our Affairs* ſhould perſuade us to it. It may perhaps have been formerly *pretended*, that the Share of National Monopoly, which we have at any Time enjoy'd in the *EAST-INDIA* Trade, and now pretend to upon the Foot of Treaties, was either better ſecur'd, or more profitably exercis'd by an excluſive *Company* amongſt ourſelves: But now we find this Right invaded from many Places, and muſt moſt probably expect, that it will be ſo from every Quarter. The Emperor has yet conſented to a Suſpenſion of the *OSTEND* Trade for ſeven Years only, of which three are almoſt expir'd: Nor do we ſeem now to be upon Terms with him to expect the punctual Obſervation of this Treaty. Or, if we were, it begins now to appear that, whether the *Emperor* ſhould or ſhould not ſupport them in it, his Subjects in *Flanders* will and do trade to the *EAST-INDIES*, in Defiance of Treaties, and at the Riſque of being taken, if they ſhould be found and over-power'd in the *INDIES*, or in their Return from thence.

UPON Hazards of this Kind, I believe it is very well known, a clandeſtine Trade, and in Breach of Treaties, has been conſtantly carry'd on to the *Spaniſh WEST-INDIES*. And whether it be the Intereſt of the *Flemings* to trade *at this Riſque*, I believe will be ſoon determin'd by the Rates of enſuring their Adventures; which moſt probably may appear to be a leſs Expence attending them than the extraordinary Charge of carrying on the ſame Trade by a *Company*.

DENMARK and *SWEDEN* have undertook this Trade from Ports in *EUROPE*, from whence the Exerciſe of it muſt neceſſarily interfere with us. Nor can we expect leſs, after this Trade has been ſo long and ſo earneſtly contended for, *under the Notice of all EUROPE*, than that Projects for Undertaking it will be ſpringing up from almoſt every Quarter. And can we propoſe to prevent or reſtrain them *every where* by our Negotiations alone? Have we hitherto ſucceeded in this Attempt, or will any Gentlemen in Power be anſwerable for this Event of their Negotiations?

If not, I fear prolonging the Term in the *Company*'s Monopoly will deprive the Publick of the only Remedy now left us for retrieving the *Trade*, and preſerving the *Naval Power* of theſe Kingdoms. As yet we have the Advantage over the greateſt Part of our Neighbours in the Stocks and Number of our Merchants, in our Shipping, Number of Seamen, and Knowledge of Navigation: And with theſe Advantages perhaps (were the Trade laid more open) it may be yet in our Power to out-trade them in this Branch of Commerce, and ſecure the greateſt Part of it to ourſelves.

IN this Situation of our Affairs, the *EAST-INDIA Company*'s Term in their Monopoly is, as I think, *moſt fortunately expiring*. And an Expedient, that is upon this account practicable, may poſſibly ſoon be found out for ſecuring to the Nation thoſe Advantages, which we have not yet been able to obtain, and perhaps never may by our Negotiations *only*. Such an Expedient would probably meet with the Approbation of our Legiſlature; and the *EAST-INDIA Company* ſeem to be juſtly apprehenſive of it. But ſurely it is, upon this Account, as manifeſtly the Intereſt of the Publick to ſuſpend any farther Agreement with them, as it is the Intereſt of the *Company* to preſs for it; and thereby render every Propoſal for the publick Service, that can be thought of, in our preſent Circumſtances, quite impracticable. Theſe, Sir, are my Sentiments upon this Subject, put together in that Haſte which the Occaſion for it call'd for; and upon which Account I hope to be the more eaſily excus'd, if I have not ſufficiently explain'd my ſelf;

I am, SIR, &c.

Printed for T. WARNER, at the *Black Boy* in *Pater-noſter Row*. (*Price* Two Pence)